

COUNTY TRIAL COURTS

BUDGET UNIT: TRIAL COURT FUNDING – MAINTENANCE OF EFFORT (MOE) (AAA TRC)

I. GENERAL PROGRAM STATEMENT

On January 1, 1998, AB233, the Lockyer – Isenberg Trial Court Funding Act of 1997 went into effect in the State of California. This bill fundamentally changed how the trial courts are funded by transferring primary responsibility for funding the courts to the state, including sole responsibility for funding future growth in court operations costs. In addition, it requires counties to make a capped maintenance of effort (MOE) payment to the state each year for operations of the courts. The MOE contribution is made up of two components: reported 1994-95 county expenses for court operations, plus fine and forfeiture revenue sent to the state in 1994-95. Under the bill, county MOE amounts were established in 1997-98 with certain reductions and adjustments subsequently authorized by the state. Current MOE contribution for expenditure component is \$20,227,102 annually; and for revenues, is \$8,163,193 annually. In return, the state allowed the counties to retain many of those same fines and forfeitures to help fund their MOE payments with the provision that collections that exceed the amount of the revenue MOE be split equally with the state. There is no staffing associated with this budget unit.

II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Actual 2002-03	Budget 2003-04
Total Requirements	33,402,632	31,828,295	33,759,418	34,090,295
Total Revenue	24,403,078	21,697,281	26,850,202	23,721,081
Local Cost	8,999,554	10,131,014	6,909,216	10,369,214

Variance of actual 2002-03 from budget is due to higher collections of revenues (above the revenue MOE) which is shared equally with the state.

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

PROGRAM CHANGES

Appropriations were increased to reflect higher anticipated payment to state based on projected share of revenue collections above the revenue MOE.

Also, appropriations were shifted to operating transfer category to more accurately reflect anticipated transfer payment to Court special revenue fund associated with 25% of county's share of collections above revenue MOE.

GROUP: Law and Justice DEPARTMENT: Trial Courts - Maintenance of Effort (MOE) FUND: General AAA TRC			FUNCTION: Public Protection ACTIVITY: Judicial		
	2002-03 Actuals	2002-03 Approved Budget	2003-04 Board Approved Base Budget	2003-04 Board Approved Changes to Base Budget	2003-04 Final Budget
<u>Appropriation</u>					
Other Charges	32,685,594	31,828,295	31,480,295	1,410,000	32,890,295
Total Appropriation	32,685,594	31,828,295	31,480,295	1,410,000	32,890,295
Operating Transfer Out	1,073,824	-	-	1,200,000	1,200,000
Total Requirements	33,759,418	31,828,295	31,480,295	2,610,000	34,090,295
<u>Revenue</u>					
Fines & Forfeitures	8,150,277	12,401,193	12,401,193	(5,183,593)	7,217,600
State, Fed or Gov't Aid	(311,286)	-	-	-	-
Current Services	19,011,211	9,296,088	8,709,888	7,793,593	16,503,481
Total Revenue	26,850,202	21,697,281	21,111,081	2,610,000	23,721,081
Local Cost	6,909,216	10,131,014	10,369,214	-	10,369,214

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Total Changes Included in Board Approved Base Budget

Other Charges	<u>(348,000)</u>	Legislative correction to Maintenance of Effort.
Revenue		
Current Services	<u>(586,200)</u>	Reduction for Juvenile Dependency revenue no longer included in this budget unit.

Total Requirements Change	(348,000)
Total Revenue Change	(586,200)
Total Local Cost Change	238,200

Total 2002-03 Requirements	31,828,295
Total 2002-03 Revenue	21,697,281
Total 2002-03 Local Cost	10,131,014

Total Base Budget Requirements	31,480,295
Total Base Budget Revenue	21,111,081
Total Base Budget Local Cost	10,369,214

Board Approved Changes to Base Budget

Other Charges	<u>1,410,000</u>	Anticipated higher payment to state for shared revenues offset by shift to operating transfers.
Operating Transfer Out	<u>1,200,000</u>	Transfer for Court per collections agreement.
Total Requirements	<u>2,610,000</u>	
Revenue		
Fines & Forfeitures	<u>(5,183,593)</u>	Realignment of revenues to appropriate category - shift to current services.
Current Services	<u>7,793,593</u>	Shift from fines & forfeitures and increase in anticipated collections based on projections and inclusion of undesignated revenues.
Total Revenue	<u>2,610,000</u>	
Local Cost	<u>-</u>	